Attendance: Austin Carsh, Kennedy Hedges, Lana Klipfel, Clint Mattox, Sam Yan, Sherm Bloomer and Nicole Real

STATE FUNDING:

Handout: State Funding for OSU and the State’s Student Success and Completion Model

Two primary types of funding from the State: Operating & Capital. Capital will be discussed in a future SBAC session. Operating funds are provided for the 7 Public Universities and the Statewide Public Services. One additional funding item is Sports Lottery which primarily assists the smaller universities with their sports program. OSU receives approximately $515k of which 80% goes to Athletics and 20% goes to the graduate school.

State Budget Timeline

June – 7 universities provide budget request to the Higher Education Coordinating Commission (HECC)
Aug – HECC compiles budget requests to 1 request for the Governor (does not include K-12)
Nov – Election year, who gets elected can affect the budgets for the Universities
Dec – Governor submits their budget, probably will be lower than previous ask
Feb – Legislature convenes
June/July – Final budget determined. Legislatively Adopted Budget

This is a biennial process. We will have already completed the OSU budget by the time the Legislature has passed the final budget.

State Student Success and Completion Funding Model (SSCM)

Five years ago, the State moved to an outcome based funding model, SSCM. Took 3 years to transition to this new model. Used to be credit hour based. The Public University Support Fund (PUSF) is the largest component of the SSCM. Uses 3 year average.

Mission Differentiation Funding – 1st thing comes off the top; supports the unique elements of each public university.

Activity based funding – distributes based on student credit hour. 40% - how much you teach and only counts Oregon resident students.

Completion based funding – rewards degrees and certificate completions. 60% - how many students you graduate and only counts Oregon resident students.

Distributable means removed due to ear marked – remaining amount after those are removed.
Trends

Figure on pg. 2 of handout. Oregon recession lagged the US in downturn and recovery. FY08 recession hit US; FY10 recession hit Oregon. Slope is comparator for how fast your costs are growing – grey line. Price sensitivity was less before FY09. FY15 & FY16 – plateau was removed and began charging per credit hour. Enrollment did slightly decline, there was a noticeable impact.

Currently all public universities are having similar budget conversations and modeling various “what if” scenarios based on who might get elected to Governor.

OSU = 2/3 or our undergrads are Oregon residents
UO = 40% of UO is resident and 60% are non-residents. Conscientious decision made at UO for non-residents. Other than funding, this will help diversity and culture of campus.

E&G BUDGET SCENARIOS FY20

Handout: Corvallis Education and General Budget Scenarios for 2019-2020

Enrollment is down this fall which is a good predictor of the year. Generally look at September enrollment numbers. Hard to predict the “melt” – students that have committed but then don’t come.

Graduate Fee Remissions – paid by E&G only.

Grant Aid – 3 Types

Institutional Aid - $45M
Fed & State Aid - $60M
Private Funds/Loans - $100M (some we manage some is OSUF)

F&A Recovery – started after WWII in 1950’s. Feds started funding research @ Universities to help cover O/H costs such as admin, library, facilities, etc.

E-Campus – started 16 years ago. Next year E-Campus will most likely be the largest funding category.

12% goes back into financial aid pool from tuition.

Non Resident Graduates – not yet where our peers are. Have been increasing @ 4.5% for last 5 years.

Showing no increase in graduate students – that might be optimistic. Inverse to the economy: when economy is good less graduate students; when economy is bad people go back to college.

Biggest unknown is the State’s percentage increase. Guessing about 2% but could be upwards of 10%, just don’t know and won’t until next June/July (2019).

NEXT MEETING – October 29, 2018